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WA MAREKANI

WAJIBIKA

WAJIBIKA PROJECT QUARTERLY PERFORMANCE REPORT
April – June 2012

July, 2012

Wajibika Quarterly Performance Report
April 1 - June 30, 2012

ACRONYMS

CAG	Controller and Auditor General
CCHP	Comprehensive Council Health Plan
CHAI	Clinton Health Access Initiative
CHF	Community Health Fund
CHMT	Council Health Management Team
CTB	Council Tender Board
CTs	Council Treasurers
D by D	Decentralization by Devolution
DMO	District Medical Officer
FMO	Finance Management Officer
IAs	Internal Auditors
IPSAS	International Public Service Accounting Standards
LGA	Local Government Authority
M&E	Monitoring and Evaluation
MoHSW	Ministry of Health and Social Welfare
PMO-RALG	Prime Minister's Office, Regional and Local Government
PMP	Performance Monitoring Plan
PMU	Procurement Management Unit
RS	Regional Secretariat
USAID	United States Agency for International Development

1. Introduction

This report presents the Wajibika Project's quarterly progress for the period of April 1 through June 30, 2012. It outlines the key project activities, achievements, challenges, lessons learned, and recommendations for future implementation. For the period of October 2011 to June 25, 2012 the project was following a provisionally approved third year work plan pending the outcome of the external USAID Mid-term review that was conducted in December 2011. The mid-term evaluation findings and recommendations were provided to the project in January 2012. During this third quarter reporting period the project continued to address the evaluation recommendations that included reviewing/revising the third year work plan. USAID approved the third year work plan on June 25, 2012.

2. Activities Completed

2.1 Review the third year work plan and Performance Monitoring Plan (PMP)

A mid-term project evaluation was commissioned by USAID Tanzania, to assess the project's progress and provide insights into both expected and unexpected results. The external evaluation team conducted its review between December 2011 and January 2012. As a result of this evaluation, Abt Associates initiated a process to upgrade its approach to monitoring and evaluation (M&E). During this quarter, in close collaboration with USAID, the project finalized a new PMP through the following steps:

- Formulated a new enhanced Results Framework to better capture the project's intended results
- Revised its performance indicator pool to:
    - Ensure inclusion of performance indicators at all levels of the results framework
    - Add additional outcome level indicators
    - Eliminate/reduce existing indicators that did not provide value to either internal or external indicators in measuring the project's performance against its stated results
- Created Performance Indicator Reference Sheets for all performance indicators
- Expanded M&E Task Schedule, to outline the timing and responsibilities for specific M&E related tasks for the project going forward.

Following the revision of PMP, the third year work plan was reviewed to reflect the changes made in the PMP. The PMP is yet to be approved.

2.2 Develop a document which clearly describes the Wajibika Approach

One of the key mid-term evaluation observations was that the Wajibika Approach was not clearly articulated and understood by all stakeholders. The Wajibika team therefore developed a graphic, the Wajibika Conceptual Framework that illustrates the context within which the project operates, the Wajibika Approach, and the project Outcomes. (see Figure 1 below). A two-page synthesis document was also prepared and distributed to USAID (also attached in PDF form) and a more elaborate description of the project will be completed during the fourth quarter.

Figure 1: Wajibika Conceptual Framework

2.3 Develop an interview guide/tool for stakeholder engagement in developing transition and scale-up plan.

The objectives of the stakeholder interviews were:
1. To solicit feedback and recommendations from pre-determined key informants on how to best proceed in transitioning the project activities to LGAs.
2. To use the feedback and key themes obtained during the interview process to inform recommendations to the project and PMO-RALG , MOHSW, MOF and LGAs for the development of transition and scale-up plans for Wajibika interventions that increase planning effectiveness and financial accountability at the council level.

Interview guides for national, regional, council level and development partners/other partners were developed and data collection is on-going. A presentation of findings from the stakeholder interviews will be available in August 2012.

2.4 Epicor training to Internal Auditors and Accountants
During this quarter Wajibika, in collaboration with PMO-RALG, organized two-week training sessions on the newest version of Epicor (version9.05) for Council treasurers, internal auditors, and accountants in three regions (Iringa, Pwani and Morogoro). Key areas covered included:

- Hands-on training on all the functions of the software and how it will improve their performance in data accuracy and compliance with international accounting standards. Modules covered included: Accounts Receivable, Account Payable, Cash Management, General Ledger and Procurement Management.
- Appropriate coding of transactions - this is a major departure from the manual systems that many were accustomed to.
- Production of financial reports
- Budgeting: fund allocations and reallocations

Participants were also trained on the Tuwajibike SharePoint functionalities.

A total of 86 accountants and 23 internal auditors were trained as shown in the table below;

Table 2: Epicor trained participants

Region	Accountants	Internal Auditors
Iringa	32	8
Pwani	29	9
Morogoro	25	6
Total	86	23

In addition to the ongoing training, the Wajibika team assisted the PMO-RALG Epicor implementation team to enter council budgets in the system in order to ensure a smooth operationalization in July 2012.

2.5 Internal Auditors training

Wajibika, in collaboration with Institute of Internal Auditors (IIA), facilitated a follow up training to internal auditors and members of Audit Committees from the Local Government Authorities (LGAs) and Regional Administrative Secretariats for Iringa, Morogoro, Dodoma and Pwani regions. The training was conducted from May 16-18 and from May 21-23, 2012 in Iringa and Dodoma respectively. A total of 112 participants were trained.

The objective of the training was to enhance the knowledge of internal auditors and members of the audit committee in the following areas:
- Development of risk based annual audit plans (identifying high risk departments and processes on which they should focus their audit efforts during the year),
- Conducting risk-based audits,
- Writing high impact internal audit reports which will drive management actions and
- Roles and responsibilities of audit committee members.

Participants had the opportunity to discuss areas that posed challenges to effectiveness of the internal audit functions in LGAs. This was the first time for these audit committee members to be exposed to the training relating to internal audit and their roles as Audit Committee members. They were particularly concerned with the overall audit control environment in LGAs
that can impair the independence and objectivity of the internal auditing functions. Their main concerns are listed below:
- Inadequate independence and protection for internal auditors to allow them to discharge their responsibilities without fear;
- Inadequate autonomy of the Audit Committee,
- Inadequate coordination of work of internal and external auditors

- Inadequate understanding of good governance practices on the part of accounting officers and members of governing bodies (Councils) in local governments,
- Resource constraints, both financial and human resources, and lack of control of internal audit funds at Local Government Level,
- Political interference by Councilors in implementation of internal audit recommendations.

These concerns were raised in the presence the President of the IIA Tanzania Chapter and Wajibika will share them with the Internal Auditor General's office and also during the forthcoming stakeholders meeting.

2.6 Study the Controller and Auditor General (CAG) report for 2010-2011, and, on the basis of the findings, develop tailor-made coaching for councils

The Wajibika team conducted a review of the findings of the CAG 2010 -2011 reports during their supportive supervision visits in addition to reviews by mentors during their daily coaching in the councils. During the supportive supervision visits conducted in April/May 2011, the team explored the specific reasons that certain councils did not receive "clean" audit reports. This review provided clarity on the issues documented in the CAG's report. Findings included:

- Many councils did not adequately coordinate the auditing exercise: It was noted that the entry/kickoff meeting between the external (CAG) auditors and Council staff as well as exit meeting minutes were not adequately recorded. As a result, some issues which were resolved during the exit meetings still remained as the basis for qualifications,
- Involvement of the Council Management Team (CMT) in the audit exercise: It was also noted that, the Finance/Accounting departments in the councils were perceived as solely responsible to deal with the auditing exercise and therefore there was minimal involvement of the CMT. The CMT and the Internal Auditor should have been more involved to address issues raised by the external auditor.

During this quarter Wajibika, through the supportive supervision visits, Internal Audit training, and Mentor Review Meetings has coached the councils on how to engage in the external audit exercise. This should lead to full participation of the CMT for the benefit of the council.

2.7 Mentors Regional Review Meetings

The Wajibika team conducted mentors regional review meetings between June 18 -28, 2012. The purpose of these meetings was for council mentors to share experiences, achievements, and challenges in fulfilling their responsibilities in their respective councils. The project held these review meetings for two days in each region. The first day was for consultations between mentors and Wajibika Dar headquarters staff while the second day comprised the entire Wajibika team as well as invitees from the Regional level (Assistant Administrative Secretary Local Government (AAS-LG) and the Regional Medical Officers (RMOs) and district level (Council Directors, District Medical Officers, Council Treasurers and Internal Auditors).

The presentations included a Wajibika overview, mentoring (background, the pre-and-post mentoring situation analysis, interventions carried out, achievements, challenges, lessons learned and the way forward). The group also discussed issues related to project transition and scale-up. Key issues raised are attached in Annex 1 to this report.

2.8 Supportive Supervision to Councils

Wajibika Dar headquarters staff conducted quarterly supportive supervision from April 22- June 4, 2012. The purpose was to assess improvements in programmatic and fiscal accountability at council level.
The table3 below shows the Supportive Supervision findings:

Table 3. Findings during Supportive Supervision to Councils

POSITIVES	CHALLENGES	PROPOSED INTERVENTIONS
- Councils appreciated the Wajibika project interventions - Councils reported that there is improvement in accountability - Councils appreciated work done by mentors in assisting with planning, financial management and report writing - Councils reported that they are working on the matters of emphasis from the CAG report - Councils reported that as a result strategic trainings organized by Wajibika IPSAS, EPICOR, CCHP pre-planning and Procurement trainings have improved the performance and has enhanced good working relations among council staff - Councils explained that there has been team spirit among Council Treasurers, and other departments	- Inadequate qualified human resource - Inadequate and delayed receipt of funds from the central government - Inadequate council own sources of revenue - All Council Treasurers explained that some of the CAG audit opinions were very subjective because even issues which were responded to during the exit meetings were included in the final reports as reasons for qualification of his opinion. - PlanRep3 has been very difficult to apply and it has delayed the completion of 2012/13 CCHP development - Delay in operationalization of EPICOR 9.05 means that those who were trained earlier in 2011 have already forgotten what they learned - While strategic trainings have helped the council staff in performing their duties, there are still some departments that do not have adequate knowledge of functions performed by PMU and Internal Audit, and do not understand how these departments can help their operations - Inadequate working tools including transport for conducting follow up and supervision to lower levels	- Continue advocacy to PMO-RALG and MOHSW to ensure availability of skilled staff - Continue to advocate to the MOF to release funds timely to the councils - Continue to advocate for appropriate amendments of Restrictive Laws governing Own Source revenue collections for councils - University Computing Centre will work very closely with MOHSW and councils to address the PlanRep3 bugs - Continue advocating to management and councilors on the need to work with and respond to PMU and Internal Audit units

2.9 Tuwajibike Share Point

During this quarter, Wajibika, in collaboration with PMO-RALG, organized Epicor 9.05 training for Council Treasurers, Internal Auditors, and Accountants in three regions (Iringa, Pwani and Morogoro). In this training Tuwajibike SharePoint functionalities was one of the topics covered. A total of 109 new users were added in Tuwajibike SharePoint system as illustrated in the below table;

Table 4. Tuwajibike SharePoint Trained users

Region	Trained Users
Iringa	40
Pwani	38
Morogoro	31
Total	**109**

Apart from this training, the users of the Tuwajibike SharePoint were reminded and followed by posting different discussions and topics to discuss. A total of 20 topics were discussed with different users for knowledge sharing during this quarter.

3. Benchmarks Achieved

Table 5. Benchmarks achieved

Benchmark	Status
Conduct debriefing meeting with USAID on the progress of the project.	Ongoing.
Conduct regional review meeting for council-based mentors (once a year, one per region	Completed.
Establish Helpdesk in Dodoma to respond to requests from the councils for troubleshooting, and provide support as the web tool is rolled out.	Ongoing.
Conduct supportive supervision and technical assistance from Wajibika head office to mentors and LGAs.	Ongoing.
Conduct annual review meeting with all council-based mentors to share and document lessons learned.	Meetings completed.
PlanRep/ PlanRep3 training/update for Wajibika (including mentors).	To be done in August
Provide technical support to partners in at least one region to design, implement, and monitor and evaluate P4P.	In progress in Pwani Region.
Conduct a session with Council Health Management Teams (CHMTs) during CCHP pre-planning, to help the councils to better prioritize and allocate resources using CCHP planning guidelines	Done
Review the CAG report for 2010-2011, and, on the basis of the findings, develop tailor-made coaching for councils.	Done
Develop a document which clearly describes the Wajibika Approach	Completed
Review the third year work plan and PMP	Completed
Develop a checklist/tool for stakeholder engagement in developing transition and scale-up plan.	Completed

Follow up and maintain the Tuwajibike SharePoint.	On going
Document the existing council incentives and report on best practices.	On going
Conduct post-training follow-up supervision for internal auditors	Completed
Implement midterm review recommendations.	Completed

4. Problems Encountered (and whether resolved or outstanding)

- Operationalization of Epicor 9.05: In several instances the launch of Epicor has been delayed
- The appointment of the lliaison officer from the PMO-RALG was delayed. The liaison officer is expected to make the link between the Project and PMO-RALG. This is a very important function particularly when it comes to transitioning and sustainability of Wajibika interventions.
- The Regional authorities have expressed concern that Wajibika support had skipped the regional level, especially by not placing mentors at this level.

5. Proposed Solutions to New or Ongoing Problems

- Wajibika has provided both project Epicor Specialists/IT staff to work with PMO-RALG in Dodoma to ensure that Epicor 9.05 is launched in the Wajibika supported regions. It is envisaged that the launching in the Wajibika regions will pave the way for other regions. For instance, during the initial training of the Wajibika supported regions it was clear that the training team needed a training guide. Wajibika developed a guide for the training and this will be used to train the all other regions.

- Since the appointment of a Liaison officer from PMO-RALG was delayed, Wajibika will assist the newly appointed Liaison Officer to quickly get up to speed on the areas he should be supporting and has already encouraged him to involve some officials from the Regional Secretariat in supervising the councils. This is a way to build in some element of sustainability since the regional staff, being close to the councils can continue the supervision more frequently.

- Wajibika has been involved in strengthening the positions of the Local Government Officer/ IT and Financial Management Officers at the regional level as part of Wajibika fiscal accountability strengthening. Wajibika is advocating with PMO-RALG that more capacity building emphasis is placed on the regions and that JICA support is reviewed to see what components are covered by them and what gaps exist.

6. Success Stories

It is in place! A Risk Management Policy and Plan
Morogoro Municipality is one of six councils in the Morogoro region, Tanzania. The Municipality is 195 kilometers to the west of Dar-Es-Salaam and has a population in 2011 estimated at 316,603.

Discussion group on Development Risk Management and Policy Plan

Morogoro Municipal Council's vision is of "a community with a high standard of living provided with sound and quality sustainable socio-economic services by 2025". Its mission is, 'in collaboration with other stakeholders, strive to offer unique socio-economic services to people while creating trust to its people by managing its resource base effectively and efficiently for the benefits of the council's residents and beyond'.

In order to achieve their mission and vision all councils are required by the Government to develop and implement a risk management policy and strategy as critical elements of good ------ governance in public service.

The Controller and Auditor General has noted over the last several years the lack of a risk management policy (including a risk register) as one of the shortfalls in the Municipal Council's overall financial management practices and has raised this issue repeatedly in his audit reports.

However, this changed recently thanks to the Wajibika project mentor to the council. The Wajibika mentor worked with the Municipal Council staff to develop the policy, strategy and risk register. Furthermore, the training that Wajibika project provided to council's internal auditors in 2011 and 2012 helped to reinforce this effort.

The mentor guided the council to develop the policy which complies with international standards. The Municipal Director supported the process and remarked, "*It is very important to have risk management policy to ensure risks are reduced or eliminated…*". The mentor, in collaboration with the Internal Audit department also helped each department to identify risks and develop a risk register. This accomplishment will put an end to a long-standing audit query. Morogoro Municipal Council can be proud to be one of the few councils in the country with this policy!

7. Documentation of Best Practices (that can be scaled up)

Student Epicor 9.05 User Guide to standardize training on Epicor 9.05: Wajibika IT staff identified the problem of PMO-RALG conducting Epicor training without a student guide. It was clear that the quality of the training might not be consistent and proposed that a training guide would be a tool to standardize the training for the different groups of trainees. Wajibika used the training materials that were available plus other sources to prepare a training guide which is now in use by PMO-RALG in all Epicor training sessions.

8. List of Upcoming Activities and Events for July-September 2012

- Conduct post-training follow-up supervision for previously trained accountants
- Train accountants in International Public Service Accounting Standards (IPSAS).

- Conduct key informant interviews with several stakeholders, using the checklist/tool, to get input on the transition and scale-up process, which can then be included in the transition and scale-up plan.

- Distribute key issues and common themes and solicit feedback in developing transition and scale up plan

- Train FMOs to conduct periodic IFMS assessments

- Provide technical assistance to councils on how to share data between Epicor and PlanRep

- Participate in PMO-RALG's LGRP II technical task force meetings

- Collaborate with PMO-RALG Liaison Officer/Regional Officials to supervise target councils

- Support Internet connectivity in target councils to facilitate functionality of Tuwajibike SharePoint

- Establish a Help Desk at the central level to respond to troubleshooting from the councils and provide support as the web-based tool is rolled out

- Participate on PlanRep3 update to Wajibika staff by UCC

- Develop a database of qualified local firms and individuals who can provide technical support to councils upon request

- Conduct Advocacy with LGAs on contracting out services to local firms and individual consultants who can provide technical support

Annex 1: **Issues raised during Mentors' Review Meetings and challenges and possible solutions**

S/N	Pre-mentoring Situation	Post-Mentoring Situation	Challenges/Possible solutions
	Administration		
	There were no mentors in the councils	There is a mentor positioned in each council	LGAs wished mentors could have multiple technical skills so that they can address technical issues in all sectors. It was explained to participants that mentors are just catalyst to influence and change behavior in LGAs. It is not possible to get a mentor who is an expert in all fields.
	Most council staff had neither job descriptions nor monthly work plans	Most staff now have job descriptions and monthly work plans, thanks to the mentors facilitation	Job descriptions are not being updated in line with changing skills, and technology
	Inadequate Open performance Review Appraisal System(OPRAS)	Mentors advised staff to have work plans and targets that are linked to the council strategic plan targets and eventually linked to the national strategic plan targets	OPRAS is still not operational in most councils

More advocacy has to be done at all levels to make OPRAS operational |
| | **Governance and Management issues** | | |
| | Time consuming and conflict prone Standing Committee meetings between councilors and management | There is clear understanding of job responsibilities between the councilors and the Management as a result meetings are taking less time than previously | There are still some differences between Councilors and Management thus more advocacy is still needed |
| | Uncoordinated visits, directives from national and regional level hindering councils from implementing planned activities | There are some improvements in some departments e.g health where Ministry of Health and Social Welfare (MOHSW) are communicating to the councils through PMO-RALG | There are still some directives and ad hoc visits to the councils

Directives and visits to the councils should be part of the council plans |
| | **Planning** | | |
| | Inadequate or no stakeholder participation in pre-planning | Effective implementation of a bottom-up approach council plan preparation, especially for the health sector, whereby health facility plans were prepared and incorporated in the CCHP with full participation of most | Some stakeholders are not participating in council planning although they are being invited |

S/N	Pre-mentoring Situation	Post-Mentoring Situation	Challenges/Possible solutions
		stakeholders	
	Inadequate transparency of the resources available from some stakeholders	Most stakeholders in health are now reflected in the CCHPs	There are still some stakeholders who are not transparent More follow up is required with those stakeholders
	Finance		
	Underutilization of the EPICOR system, i.e. The councils had Epicor facilities however, the Epicor system had limited or no application at all	Trained accountants and auditors on Epicor 9.05 version	There has been a delay in operationalization of Epicor 9.05 and not all accountants and auditors have been trained
	Inadequate skills in management of revenue collection	Some councils are putting in place innovations to increase sources of revenue by identifying new sources (e.g. bus stands, building business center through PPP)	Restrictive Laws governing Own Source revenue collections for councils Continue to advocate for appropriate amendments Encourage councils to share best practice
	Inadequate sensitization to councilors and the community on health financing including Community Health Fund (CHF)	Mentors have been advising councils to strengthen various Financing strategies including community health fund (CHF)	Availability of medicines in some facilities is still a problem Inadequate enrollment in CHF Continue advocacy with communities on the importance of enrolling to CHF
	Health		
	CCHP pre-planning sessions were not held	Support and mentoring on preparation of Comprehensive Council Health Plan for 2011/2012 and 2012/13 CCHPs and Reports are currently scoring above 80%	The Health Facility Planning template is yet to be translated into Kiswahili
	Internal controls		
	Ineffective performance of Audit committee due to	Wajibika conducted advocacy meetings to heads of	Council Audit Committees are yet to

S/N	Pre-mentoring Situation	Post-Mentoring Situation	Challenges/Possible solutions
	inadequate knowledge and skills among members	departments, council financial and planning committee and the council audit committee.	exercise fully their duties
	Councils had no Risk Management Policy and had inadequate contemporary knowledge and skills in Internal Auditing	Some Councils have started preparing the Risk Management Policy Internal Auditors were trained in developing Risk Based Audit annual plans	
	Inadequate independence of Internal Auditors	As a result of the advocacy meetings to heads of departments, council financial and planning committee and the council audit committee, Internal Auditors are now receiving the cooperation required for them to operate properly	The Internal Auditors are not yet fully independent Need for more advocacy to councilors and the management For IA to be independent the line of command has to be reviewed
	Procurement		
	Inadequate knowledge and skills of Procurement issues among staff in PMU,CTB, and Heads of department and councilors	Advocacy to councilors, council finance Committee, Head of Departments Head of Units Audit Committees and Council Tender Boards Trained PMU ,Council Tender Board , Council Chairman and Internal Auditors on Procurement and Contract Management issues that adds value to the Council	Some user departments have inadequate skills on the functions of PMU: More capacity building is needed Remote councils (Mafia, Rufiji, Ludewa, Ulanga, Makete, Kilosa, Kondoa and Kilolo) face acute shortage of local contractors and suppliers of goods and services.